

**REMARKS**

Claims 1 and 9 have been amended to advance this case to its allowance. Support for the added subject matter can be found, for example, on page 6, lines 11 – 22 of the International Publication WO 2005/006326 A2 of the International Application Number PCT/IB2004/051126, the present application being the US national phase thereof. No new matter has been added.

According to the Office Action, claims 1 and 9 stand rejected under 35 U.S.C. §101 as allegedly directed to non-statutory subject matter. Claims 2, 3, 5 – 8 and 11 – 13 are rejected under 35 U.S.C. §101 merely by virtue of their dependency from claims 1 and 9.

To expedite the prosecution of the application and without conceding any statements or waiving any arguments in the Office Action, claims 1 and 9 are amended to indicate that the claimed methods are carried out by a computer processor, thereby making those claims and dependent claims 2, 3, 5 – 8 and 11 – 13 allowable.

It is noted, however, that the recently issued Interim Guidance for Determining Subject Matter Eligibility for Process Claims in View of *Bilski v. Kappos* (Fed. Reg., Vol. 25, No. 143) supports the use of a more comprehensive set of criteria than the machine-or-transformation test asserted by the Examiner. In addition, it is not clear how the feature of “embedding a digital watermark in an information signal,” recited in the preamble of claim 1, or “detecting a digital watermark in an information signal,” recited in the preamble of claim 9, is “broad enough that the claim could be completely performed mentally, verbally or without a machine nor is any transformation apparent” as asserted in the Office Action. If the examiner intends to maintain the rejection, it is respectfully requested that the examiner specifically indicate how a skilled artisan can embed or detect a digital watermark in an information signal mentally, verbally or without a machine.

An earnest effort has been made to be fully responsive to the examiner’s correspondence and advance the prosecution of this case. In view of the above amendments and remarks, it is believed that the present application is in condition for allowance, and an early notice thereof is earnestly solicited.

If any points remain in issue that may best be resolved through a telephonic interview, the examiner is respectfully requested to contact the undersigned at the telephone number listed below.

Please charge any additional fees associated with this application to Deposit Account No. 14-1270.

Respectfully submitted,

/Brian S. Myers/

By: Brian S. Myers

Myers Wolin, LLC

Registration No.: 46,947

973-401-7157

**Please direct all correspondence to:**

Corporate Counsel

Philips Intellectual Property & Standards

P.O. Box 3001

Briarcliff Manor, NY 10510-8001